

CORRECTED FISCAL NOTE

SB 2960 – HB 3805

March 8, 2006

SUMMARY OF BILL: Directs the Department of Transportation (TDOT) to connect all such county seats which have not yet been connected by a four-lane highway to the nearest interstate highway by the shortest route available over an existing state or federal highway. Requires all construction be completed by December 1, 2015.

ESTIMATED FISCAL IMPACT:

On February 27, 2006, we issued a fiscal note indicating an increase to state expenditures, from the Highway Fund, of \$100.0 million per year over a ten-year period. Based on new information provided by the Department of Transportation, the estimated fiscal impact of this bill is:

(CORRECTED)

Increase State Expenditures:

\$225,000,000 per year over ten years/Highway Fund

Assumptions:

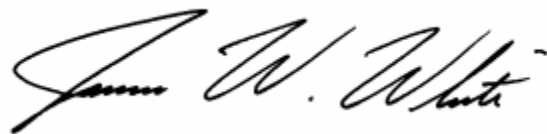
- The above project is currently stated as intent of the General Assembly in T.C.A. 54-5-102 (b).
- Through June 30, 2005, 54 county seats have four-lane access to the interstate system.
- According to TDOT, the estimated cost for connecting the remaining 41 county seats to an interstate is approximately \$4.5 billion.
- Average cost per year would be approximately \$450.0 million (\$4.5 billion ÷ 10 year limitation = \$450.0 million per year).
- TDOT estimates that construction representing approximately 50% of the remaining projects would be completed over the same time period without this legislation.

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- Therefore, the increase to state expenditures as a result of this bill is estimated to be \$225.0 million per year ($\$450.0 \text{ million} \times 50\% = \225.0 million) for each of the next ten years.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director